

Agenda

Item #4



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

To: Commissioners
From: Jonathan Wayne, Executive Director
Date: October 24, 2012
Re: Request to Investigate State Senator Nichi Farnham and Thomas Martin
(unreported debt for web videos), and Candidate Bradford Littlefield (incomplete disclaimer)

The Maine Ethics Commission received the attached request for investigation from the Maine Democratic Party. In the request, the party contends that:

- two candidates running for re-election (State Senators Nichi Farnham and Thomas Martin) did not include in their September 25, 2012 campaign finance reports the costs of videos produced for them by a professional consulting firm; and
- a third Senate candidate (Bradford Littlefield) did not comply with the disclaimer requirements in a mailing paid for by his campaign.

Legal Requirements

Duty to report expenditures and unpaid obligations

Candidates for office are required to disclose expenditures in campaign finance reports submitted to the Commission. (21-A M.R.S.A. § 1017(5)) The term expenditure includes a payment of money made to promote a candidate's election, as well as "[a] contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure." (21-A M.R.S.A. § 1012(3)(A)(2)) Maine Clean Election Act candidates are required to "report ... all campaign expenditures, obligations and related activities according to procedures developed by the commission." (21-A M.R.S.A. § 1125(12))

The Commission's expenditure rule sets out certain events which constitute making an expenditure that must be reported to the Commission, including placing an order for a

good or service or receiving a good or service.¹ The Rule was adopted in order to encourage earlier reporting of independent expenditures, so that candidates would receive matching funds in time to spend them effectively. Although the Rule may have been motivated by an interest in clarifying the reporting duties of independent spenders, the language of the Rule applies with just as much force to candidates. The exact language of the Rule states:

3. Timing of Reporting Expenditures

- A. Placing an order with a vendor for a good or service; signing a contract for a good or service; the delivery of a good or the performance of a service by a vendor; or a promise or an agreement (including an implied one) that a payment will be made constitutes an expenditure, regardless whether any payment has been made for the good or service.
- B. Expenditures must be reported at the earliest of the following events:
 - (1) The placement of an order for a good or service;
 - (2) The signing of a contract for a good or service;
 - (3) The delivery of a good or the performance of a service by a vendor;
 - (4) A promise or an agreement (including an implied one) that a payment will be made; or
 - (5) The making of a payment for a good or service.
- C. At the time the duty to report an expenditure arises, the person submitting the report is required to determine the value of goods and services to be rendered (preferably through a written statement from the vendor) and to report that value as the amount of the expenditure. If the expenditure involves more than one candidate election, the report must include an allocation of the value to each of those candidate elections.

Chapter 1, § 7(3) of the Commission's Rules.

In the Commission's campaign finance reporting form, candidates report expenditures on Schedule B. The Commission has included a separate schedule (Schedule D) for unpaid

¹ The rule appears to presume that the usual and customary business practice is that placing an order for a good or service or receiving a good or service constitutes a promise or agreement by the person to pay for the good or service.

debts and obligations (i.e., a contract, promise, or agreement to make a payment for a good or service).

Legislative candidates were required to file a report by 11:59 p.m. on the 42nd day before the general election (September 25, 2012). The report was required to be “complete as of the 49th day” before the general election, which was September 18, 2012. (21-A M.R.S.A. § 1017(3-A)(D-1))

Disclaimer requirement

When a candidate spends money on mail to voters advocating for the candidate’s election, the communication “must clearly state the name ... of the person who made or financed the expenditure for the communication” and “must clearly and conspicuously state that the communication” has been authorized by the candidate. (21-A M.R.S.A. § 1014(1))

Civil penalties

Omitting a transaction from a campaign finance report. The Election Law does not contain a penalty that would specifically apply when a candidate omits a contribution or expenditure from a campaign finance report. The Commission may assess a penalty for filing a campaign finance report that is not *substantially complete*, however. (“A campaign finance report is not timely filed unless a properly signed or electronically submitted copy of the report, substantially conforming to the disclosure requirements of this subchapter, is received by the commission by 11:59 p.m. on the date it is due.”) (21-A M.R.S.A. § 1020-A(2))

Maine Clean Election Act violations. The Commission may assess civil penalties of up to \$10,000 for any violation of the Maine Clean Election Act. This would include a violation of the duty to report expenditures and obligations. (21-A M.R.S.A. § 1127(1))

Disclaimer violations. A violation of the disclaimer statute may result in a civil penalty of up to \$5,000, pursuant to 21-A M.R.S.A. § 1014(4). In this penalty statute, the Maine

Legislature has required the Commission to consider certain factors when assessing a civil penalty: “In assessing a civil penalty, the commission shall consider, among other things, how widely the communication was disseminated, whether the violation was intentional, whether the violation occurred as the result of an error by a printer or other paid vendor and whether the communication conceals or misrepresents the identity of the person who financed it.” *Id.*

Contentions by the Maine Democratic Party

Senators Nichi Farnham and Thomas Martin.

Nichi Farnham and Thomas Martin are first-term State Senators running for re-election in Senate Districts 32 and 25 respectively. They first ran for legislative office in 2010.

In September 2012, a consulting firm, Strategy Maine,² completed a 30-second professional quality video for each of the Senators. The video produced for Sen. Farnham was entitled “Running for You.” According to the Maine Democratic Party, someone using the name FarnhamForSenate posted the video to YouTube on September 16, 2012. On September 19, 2012, Senator Farnham shared a link to the video on YouTube through her Facebook and Twitter accounts.

The opening frame of the video states that it was “PAID FOR AND AUTHORIZED BY FARNHAM FOR SENATE.” So, anyone seeing the video would be informed who paid for the video.

StrategyMaine produced two versions of a video entitled “Strong Ally” for Senator Thomas Martin, that ultimately was posted on YouTube. The information concerning the video that has been posted on YouTube states:

² A search on the Commission’s public access website indicates that in 2010, 16 candidates purchased services from Strategy Maine. All of them were Republican candidates for the State Senate. So, the firm appears to provide services to mostly or exclusively to Republican candidates. The firm is a limited liability company. One of the principals of the firm is believed to be Cary Weston, the mayor of Bangor and a principal of Sutherland Weston Marketing Communications.

Published on Sep 19, 2012 by StrategyMaine
THOMAS MARTIN
"Strong Ally"
Produced by Strategy Maine
September 12, 2012

The Maine Democratic Party infers from this information that the video was produced on September 12 and uploaded to YouTube on September 19.

The Maine Democratic Party contends that because the Farnham and Martin videos were completed by September 18 (the end of a reporting period), the two candidates should have disclosed an expenditure or unpaid debt to Strategy Maine in the report due on September 25, 2012.³ It requests that the Commission consider whether the candidates violated "Maine Clean Election Act reporting requirements and should be assessed a fine as provided for in 21-A M.R.S.A. § 1127."

Bradford Littlefield.

Bradford Littlefield is a candidate for State Senate in District 3. According to the Maine Democratic Party, he recently sent a mailing that contained an incomplete disclaimer statement. In the return address section, the mailer contained the language:

PAID FOR AND AUTHORIZED BY
59 YEATON HILL ROAD
SPRINGVALE, ME 04083

There is no reference to "the candidate" or "Bradford Littlefield" in the disclaimer statement, although Mr. Littlefield's name is printed in other places on the card.

³ Sen. Farnham's treasurer actually filed the report one day early on September 24, 2012, but for the sake of simplicity I will refer to the report as the "September 25 report," based on its due date.

Responses by the Candidates

The candidates have responded to the Maine Democratic Party complaint through three separate letters dated October 17, 2012 from their legal counsel William P. Logan of Irwin Tardy & Morris.

Senator Nichi Farnham.

Through her attorney's October 17 letter, Senator Farnham acknowledges that she incurred an obligation to pay Strategy Maine for the *costs of producing the video* prior to the closing of the report on September 18, 2012. In her reply, she does not confirm whether she (or Strategy Maine on her behalf) also entered into a commitment to buy advertising time by September 18.

Sen. Farnham states that the failure to include the production cost was an error on the part of the campaign. She does not specify the type of error (*e.g.*, was her treasurer unaware that the campaign was under a duty to enter unpaid debts in campaign finance reports; or did the candidate not mention to her treasurer that she had entered into an obligation to pay for the production of a video).

Sen. Farnham submits that "there are several mitigating factors for the Commission to consider."

1. The campaign treasurer (Charles F. Budd, Jr.) "does not have significant prior experience" as a campaign treasurer. He is an attorney at the Bangor law firm of Rudman & Winchell.
2. The error was corrected only three days after the initial report was due and immediately upon receiving notice of the omission.

As explained in the next section, the campaign amended the campaign finance report within 90 minutes of receiving an e-mail from me that a complaint had been filed. In fact, the campaign amended the report roughly 1 ½ days after the filing deadline – more quickly than is acknowledged by Sen. Farnham's counsel.

3. It does not appear that there was any harm to the public on account of this error.

Sen. Farnham contends that any penalty other than perhaps a nominal penalty would be disproportionate.

Senator Farnham's Prompt Amendment to Disclose the Debt

On September 27 at 11:59 a.m., I sent Sen. Farnham an e-mail, notifying her that a complaint had been filed against her for not disclosing the costs of a video. My e-mail urged her to amend the report, if necessary. (I wrote: "In the meantime, if the campaign made an expenditure that needs to be added to a report, please amend the report as soon as you can.")

Within 90 minutes of receiving my e-mail, her campaign had amended the report at 2:24 p.m. to disclose a debt of \$8,540 to Strategy Maine with the remark of "Media Production/Media Buy." The campaign reported the date of the unpaid debt or obligation is September 14, 2012.

Sen. Farnham amended the report on September 27, 2012 at 2:24 p.m. This was less than two days after the filing deadline of 11:59 p.m. on September 25.

Taking Mr. Logan's October 17 letter and the amended report together, it is possible that as of the close of the campaign finance report (September 18), the campaign had entered into a debt for production costs *only* and that the campaign – in responding so quickly to my e-mail and before retaining legal counsel to analyze the facts of the situation – reported the purchase of advertising time that it was not required to disclose until the 11-day pre-general report due October 26. At the October 31 meeting, Mr. Logan may wish to clarify whether Sen. Farnham had entered into an obligation to pay for advertising time as of September 18, 2012.

Senator Thomas Martin.

Through his attorney, Sen. Martin states that the arrangement he had with Strategy Maine was that he was under no obligation to pay for the video unless and until he approved of the work. The candidate states that this was *after* the reporting period ended on September 18. Therefore, he argues he was not required to disclose any debt to Strategy Maine for production costs in the campaign finance report due September 25, 2012. He notes that the video was still being revised of at least September 19, and a final version was publicly available on September 24.

Bradford Littlefield.

Mr. Littlefield explains that he provided the necessary disclaimer language to a vendor, Red Maverick Media, but the vendor made an error that resulted in his name not appearing in the disclaimer statement. He has attached an e-mail from Mike Leavitt stating that the "It was an oversight of our mail designer."

Mr. Littlefield argues against the assessment of any civil penalty because the violation was not intentional, it was an error by a vendor, and there was no intent to conceal or misrepresent that the candidate financed the communication. These are factors which are set out in 21-A M.R.S.A. § 1014(4).

Outstanding Factual Questions Concerning Sen. Martin's Receipt of Video

The Commission staff understands the argument that Sen. Martin is raising. However, the fact that the video was made available to the public on September 14 (see below) raises some factual questions that need to be resolved to determine whether the obligation was incurred within the reporting period and should have been reported. The staff wrote a letter to Bill Logan on October 18 requesting additional information. Mr. Logan has not had sufficient time to respond, but we will forward his response when we receive it.

The staff's review of YouTube and the political website, As Maine Goes, indicates that:

- The "Strong Ally" video was viewed on YouTube by a mobile device on September 12.

- It was first embedded on Facebook on September 14.
- It was first embedded on As Maine Goes on September 14.

(Please see the attachments to my October 18, 2012 letter to Mr. Logan with handwritten arrows noting the relevant dates.) The identity of the person or persons who made the video available on Facebook and on As Maine Goes is not known. It appears from the As Maine Goes page that the video was available to the public on September 14, 2012.

Someone started a discussion thread under the heading of “Senator Tom Martin Launches ‘Strong Ally’ TV Ad,” presumably with the intention of bringing the video to the public’s attention.

In most business relationships, once a professional vendor has completed a marketing or advertising product (*e.g.*, a video) for a client, one would expect that the client has entered into an implied or expressed agreement to pay for that product. The staff believes it would be helpful if Sen. Martin or his counsel could clarify why no implied or expressed agreement to pay for the video was made by September 18 under the terms of the business relationship between Sen. Martin and Strategy Maine.

Staff Analysis and Recommendation

Findings of Violation. With the caution that Sen. Martin is expected to provide some additional information through his attorney concerning when he entered into an obligation, the Commission staff tentatively recommends:

- finding that Sen. Nichi Farnham and Sen. Thomas Martin violated 21-A M.R.S.A. § 1017(5) by omitting an unpaid debt to Strategy Maine for the costs of producing the video in their September 25, 2012 reports;
- finding that Bradford Littlefield violated 21-A M.R.S.A. § 1014(1) because the mailer did not clearly and conspicuously state who had paid or financed the mailer and whether it was authorized by the candidate.

Penalty Recommendations

The Commission staff recommends *against* a civil penalty in all three matters because – in our experience – it is not uncommon for candidates to omit a contribution, expenditure, or obligation from a campaign finance report. When this occurs, the Commission staff

generally requests that the candidate amend the report, and the staff does not bring the matter to your attention for a finding of violation and does not ask you to assess a civil penalty.⁴ (In rare cases, if the omitted transactions were so numerous that the original report was not substantially complete, the Commission staff has considered a report to be late and follows the penalty procedures for late-filed reports.)

So, in this case, the Commission staff recommends against a penalty, for three reasons:

- Little harm to the public (particularly in the case of Sen. Farnham). Both videos state clearly in the opening frames that they were “PAID FOR AND AUTHORIZED BY” the candidates’ campaigns. So, anyone viewing the videos was informed on the outset who paid for them. The information that the public lacked due to the unreported debts was the *dollar amount* of unpaid debt.

In the case of Sen. Farnham, she amended the report on September 27, at 2:24 p.m. This is less than two days during which the public was deprived of knowing the amount of her debt to Strategy Maine. She promptly amended the report to disclose the information.

- Consistency. If you were to assess a penalty against Senators Farnham or Martin, the Commission staff is genuinely concerned about the issue of selective punishment. Other candidates have made omissions of similar (or greater) magnitude in their campaign finance reports, and have suffered no financial penalty. As explained two paragraphs above, the Commission staff has merely advised these candidates to amend the report. (One example would be the Democratic State Senate candidate mentioned in footnote 4).

The Commission staff is unsure what effect the assessment of a civil penalty against Senator Farnham and Martin should have on our current practices. Would we adjust our procedures to bring *every* instance of a forgotten expenditure or obligation to your attention at a public meeting for the assessment of a civil penalty? That might heighten anxiety for candidates generally.

⁴ For example, at a meeting in August 2012, a Democratic candidate for State Senate informed the Commission staff that he or his wife accidentally did not write down in the campaign checkbook register two payments that his wife had made in connection with a campaign event at Shaws (\$131.39) and Walmart (\$43.25). Consequently, the candidate never disclosed the payments as expenditures in his September 25, 2012 campaign finance report. This candidate’s omissions are, arguably, more serious and more obvious than Sen. Farnham’s omission because they represent *actual* payments of public campaign finance funds to a vendor. In keeping with its normal practices, the Commission staff advised the candidate to amend his Sept. 25 report, and did not give any consideration to bringing his omissions to your attention at a public meeting or recommending a civil penalty.

- Proportionality. The Commission staff believes that when candidates or treasurers make unintentional reporting mistakes, the proper response from the Commission during the course of an audit or enforcement matter is a finding of violation with no penalty. Candidates, treasurers, and their advisors are not paid professionals. They file a handful of financial reports every two years. Even with best of intentions and average diligence, miscommunications and misunderstandings occur. We believe that a finding of violation is sufficient to encourage good reporting, without the assessment of any civil penalty.

Therefore, we recommend no financial penalty against Sen. Martin and Sen. Farnham for the violation, as proposed by the Maine Democratic Party.

For the reasons cited by Mr. Littlefield, and because the first-person language of the communication clearly indicates that it was authorized by the candidate, the Commission staff recommends the assessment of no civil penalty.

Thank you for your consideration of this memorandum.

Wayne, Jonathan

From: Wayne, Jonathan
Sent: Thursday, September 27, 2012 11:59 AM
To: 'nichi@aol.com'
Cc: Lavin, Paul; Backus, Tyler
Subject: Complaint concerning Web Video
Attachments: 20120927 Ltr w_attachments to Commission on Ethics & Election Practices.PDF

Senator Farnham,

I have attached the complaint from the Maine Democratic Party that I mentioned in my voicemail message. It asks the Commission to look into whether your campaign finance reports are incomplete because they do not mention a payment to Strategy Maine for a web video. I will probably be sending you a letter tomorrow asking for some basic information about the cost of the video.

In the meantime, if the campaign made an expenditure that needs to be added to a report, please amend the report as soon as you can. Candidate Registrar Tyler Backus can offer you advice on how to do that, if necessary.

If you have any questions about how our office will be handling the complaint, please call me at 287-4179.

Thank you very much.

Jonathan Wayne
Executive Director
Maine Ethics Commission
135 SHS
Augusta, ME 04333
287-4179

From: Janet Davis [<mailto:jdavis@bernsteinshur.com>]
Sent: Thursday, September 27, 2012 11:09 AM
To: Wayne, Jonathan
Cc: Kate Knox
Subject: Request for Investigations

Sent on behalf of Kate R. Knox

Per Kate Knox's request, please find attached a request for investigations.

Janet Davis, Legal Assistant to Robert J. Crawford, F. Paul Frinsko, Kate Knox, Dan Riley and Brita Forssberg

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100 Middle Street
PO Box 9729
Portland, ME 04104-5029
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207 774-1127 facsimile
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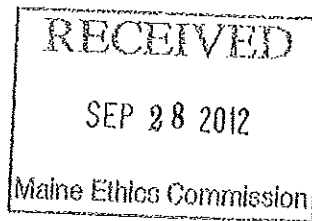
www.bernsteinshur.com

Portland, ME | Augusta, ME | Manchester, NH

Confidentiality notice: This message is intended only for the person to whom addressed in the text above and may contain privileged or confidential information. If you are not that person, any use of this message is prohibited. We request that you notify us by reply to this message, and then delete all copies of this message including any contained in your reply. Thank you.

IRS notice: Unless specifically indicated otherwise, any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (a) avoiding tax-related penalties under the Internal Revenue Code, or (b) promoting, marketing, or recommending to another party any transaction or matter addressed herein.

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September 27, 2012

Mr. Jonathan Wayne
Executive Director
Maine Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333

Re: Request for Investigations

Dear Mr. Wayne:

Pursuant to Maine Commission on Governmental Ethics and Election Practices Rule 94-270 C.M.R. ch. 1, § 4(2)(C), the Maine Democratic Party (the "Party") hereby requests an investigation into the accuracy of campaign finance reports filed by the campaigns of Nichi Farnham and Thomas Martin. A review of publicly filed campaign finance reports and the candidates' own website and social media postings provide sufficient grounds for believing that a campaign finance violation has occurred. 21-A M.R.S.A. §1003(2).

Further, the Party requests an investigation into the accuracy of the disclaimer provided on a recently distributed mail piece in support of Candidate Bradford Littlefield, Senate District 3. A review of the incomplete disclaimer (see Attachment #1) also provides sufficient grounds for believing that a campaign violation has occurred. Id.

**Request #1 - Candidate Nichi Farnham
Non-Disclosure of Media Production Expenses**

Candidate Nichi Farnham is running for re-election in State Senate District 32 and is a certified Maine Clean Election Candidate. As part of her campaign, Candidate Farnham appears to have produced and distributed a campaign ad entitled "Running for You" (the "Farnham Ad").

- On September 16, 2012, the Farnham Ad was posted to YouTube by FarnhamForSenate:ⁱ
http://www.youtube.com/watch?feature=player_embedded&v=HRs58ScpPP4
- On September 19, 2012, a link to the Ad was shared by Candidate Farnham via her Facebook and Twitter accounts:ⁱⁱ

Facebook - <http://www.facebook.com/FarnhamForStateSenate>

Twitter - <https://twitter.com/SenNichiFarnham>

- On September 20, 2012, the Maine Republican Party issued a press release entitled "State Sen. Farnham Launches TV Ad" (see Attachment #2).
- On September 24, 2012, the Farnham campaign filed its 42-Day Pre-General report covering the period between July 18, 2012 and September 18, 2012. There were no expenditures reported for media production or distribution of the Ad (see Attachment #3).

Under Maine campaign finance law, an "expenditure" is not only a purchase or payment for goods, but a "contract, promise or agreement, expressed or implied, to make any expenditure." 21-A M.R.S.A. §1012(3)(A)(1)-(2). All expenditures must be timely reported on a candidate's campaign finance report in the reporting period in which they were incurred. 21-A M.R.S.A. § 1017(5).

It would be logical to assume that the development, staging, filming production and distribution of the Farnham Ad would have associated costs which would be paid for by Candidate Farnham's campaign. The Farnham Ad appears to be professionally produced, with a messaging theme, candidate script and visual and musical message overlays. As a certified candidate under the Maine Clean Election Act, Candidate Farnham is prohibited from accepting such goods and services at no cost, and it does not appear on the surface that these professional media production costs could be covered in their entirety by the specific in-kind contribution exclusions outlined in the Commission Rules, Rules, Chapter 1, Sections 6(4)-(5) 94-270 C.M.R. ch. 1, § 6(2)-(5)(C). As a result, the Party assumed that Candidate Farnham's corresponding campaign finance reports would contain several expenditures related to the professional production and distribution on the Farnham Ad.

Despite this assumption, a complete review of campaign finance reports filed by Candidate Farnham to date lists no expenditures for professional media production. The most recent report (42- Day Pre-General) required the listing of all expenditures incurred between July 18, 2012 and September 18, 2012 (see Attachment #3). Because the Farnham Ad was first posted to YouTube on September 16, 2012 – its production and distribution costs must have occurred before then – requiring disclosure on the 42-Day Pre-General report (or an earlier report if applicable).

Candidate Farnham is prohibited from accepting in-kind contributions and is required to disclose all campaign related expenses at the time the obligation is incurred. Expense obligations related to the Farnham Ad remain undisclosed despite the disclosure deadline in the 42-Day Pre-General Report. As a result, the Party requests an investigation into the facts of this matter to determine whether, as it appears on review of the evidence, that Candidate Farnham has violated Maine Clean Election Act reporting requirements and should be assessed a fine as provided for in 21-A M.R.S.A. § 1127.

**Request #2 - Candidate Thomas Martin
Non-Disclosure of Media Production Expenses**

Candidate Thomas Martin is running for re-election in State Senate District 25 and is a certified Maine Clean Elections candidate. As part of his campaign, he has produced and distributed two advertisements entitled "Strong Ally" (the "Ads"). A review of web and social media postings provides the following timeline for the distribution of the Ads and the corresponding campaign finance reports:

- On September 12, 2012, StrategyMaine produced Ad #1;ⁱⁱⁱ
- On September 19, 2012, Ad #1 was uploaded to YouTube by StrategyMaine;
<http://www.youtube.com/watch?v=2t-df34mpwY&feature=relmfu>
- On September 24, 2012, a new version of the Ad was produced by StrategyMaine, uploaded to YouTube by StrategyMaine and posted on Candidate Martin's Facebook page. (Ad #2);

<http://www.youtube.com/watch?v=VIcC-k-Ho8&feature=youtu.be>

<http://www.facebook.com/pages/Tom-Martin-for-Maine-Senate/125713987444699>
- On September 25, 2012, the Martin campaign filed its 42-Day Pre-General report covering the period between July 18, 2012 and September 18, 2012. There were no expenditures reported for media production or distribution of the Ads (see Attachment #4).

As stated above, all campaign related expenditures (including contracts or agreements to pay) must be timely reported on a candidate's campaign finance report in the reporting period in which they were incurred. 21-A M.R.S.A. § 1017(5). A review of Candidate Martin's campaign finance reports to date lists no expenditures for media production.

It is fair to assume given the quality of the Martin Ads and the production attribution on YouTube that the Martin Ads were professionally produced. In general, professional production of advertisements involves message development, script writing, location scouting, and editing of footage. In fact, Martin Ad #2 appears to be a professionally edited version of Martin Ad #1 as noted by Candidate Martin on his Facebook page "I hope you like this improved version of my first t.v. ad." (see Facebook link above).

Again, it is difficult to see how such professional production would not result in some expenditure to Candidate Martin's campaign. Despite the original production date of September 12, 2012, none of Candidate Martin's campaign finance reports list any expenses related to the creation and production of the Martin Ads. As a result, expense obligations related to the Martin Ads remain undisclosed despite clear indications of professional media production having occurred weeks, if not months ago.

September 27, 2012
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Based on these facts, the Party requests an investigation to determine whether, as it appears on review of the evidence, that Candidate Martin has violated Maine Clean Election Act reporting requirements and should be assessed a fine as provided for in 21-A M.R.S.A. § 1127.

Request #3 – Candidate Bradford Littlefield – Incomplete Mail Disclosure

Candidate Bradford Littlefield is running for election in State Senate District 3 and is a certified Maine Clean Election Candidate. Recently, a mailer was produced and disseminated asking voters in District 3 to support Candidate Littlefield in the upcoming election. ("Littlefield Mailer").

Maine law requires that communications which expressly advocate for the election of a candidate contain specific disclosures indicating who authorized and paid for the communication. 21-A M.R.S.A. § 1014(1). Disclosures authorized by a candidate must "clearly and conspicuously state that the communication has been so authorized and must clearly state the name and address of the person who made or financed the expenditure for the communication." *Id.* Communications not authorized by the candidate must contain the words "not paid for or authorized by any candidate" in capital letters and bold font. 21-A M.R.S.A. § 1014(2).

Despite the above referenced requirements, the Littlefield Mailer contained the following incomplete disclaimer:

"PAID FOR AND AUTHORIZED BY
59 YEATON HILL ROAD
SPRINGVALE, ME 04083"

The Littlefield Mailer offers no information to the voter about who is making and financing the communication – a clear violation of 21-A M.R.S.A. § 1014(1). While it appears that the address referenced in the disclosure is associated with Candidate Littlefield through his campaign registration, voters seeking to understand who is paying for the mailer could not access this information without considerable time and effort. This contravenes the intent and spirit of the disclosure law, conspicuous and clear disclosure to voters about who is attempting to influence their vote.

Based on these facts, the Party requests an investigation to determine whether, as it appears by the evidence, Candidate Littlefield has violated the disclosure requirements and should be assessed a fine under the provisions of 21-A M.R.S.A. § 1014(4).

Sincerely,



Kate R. Knox

KRK

ⁱ The posting date is listed by YouTube immediately below any ad.

ⁱⁱ Twitter posts its shared link date in the top right hand corner of the ad information. Facebook shows the posting date underneath the posting information.

ⁱⁱⁱ All production and uploading dates are prominently listed with the Martin Ads on both Facebook and YouTube. On the YouTube posting, StrategyMaine posted the following information underneath the Ad:
"THOMAS MARTIN 'Strong Ally' Produced by Strategy Maine September 12, 2012"

"I NEED YOUR VOTE ON
TUESDAY, NOVEMBER 6 SO THAT
I CAN BRING COMMON SENSE
SOLUTIONS TO AUGUSTA."

-Brad Littlefield

PAID FOR AND AUTHORIZED BY
59 YEATON HILL ROAD
SPRINGVALE, ME 04083

PRESORT STD.
US POSTAGE
PAID
PERMIT # 380
PORTLAND, ME

SANFORD ME 04073-1826



Dear Neighbors,

As you know, I'm running for the Maine State Senate. As your State Senator, I pledge to support opportunities for job creation, a more transparent government, lower taxes, and a more effective education system for our youth.

The people of Senate District 3 deserve a voice in Augusta that is willing to help solve the tough problems that our state is facing. We've made great progress over the course of the last two years, but we have a long way to go.

With your support, we can continue to move Maine in the right direction and support working class families. I'd be honored to have your support on November 6th. Please remember to vote!

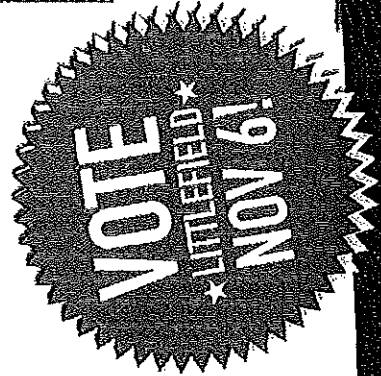
Sincerely,

Brad Littlefield

Candidate for Maine State Senate
District 3



★ **BRAD** ★
LITTLEFIELD
STATE SENATE



DISTRICT 3

Alfred, Limington, Lyman, Sanford, and Waterboro

For Immediate Release, September 20, 2012
Contact: David Sorensen, Communications Director
Phone: (207) 622-6247

Attachment #2

State Sen. Farnham Launches TV Ad

"Running for You" highlights freshman senator's record

BANGOR - State Senator Nichi Farnham (R-Penobscot) has launched a television ad that highlights her military record and her votes in the Maine Senate to control spending, make government more accountable, and streamline regulations.

Nichi Farnham, Running for You

Senator Farnham represents Bangor and Hermon. She is a graduate of the U.S. Air Force Academy and holds an M.A. from Webster University. After serving her nation in the Air Force, Farnham was elected City Councilor and Mayor of Bangor. Farnham's community service includes positions with the United Way of Eastern Maine, the Bangor YMCA, the Bangor School Committee, and the Bangor Nursing and Rehabilitation Center. Farnham and her husband, Doug, currently reside in Bangor and are the proud parents of three active young men.

###

Paid for and authorized by the Maine Republican Party. Not authorized by any Candidate or Candidate's Committee.



COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
 Mail: 135 State House Station, Augusta, Maine 04333
 Office: 45 Memorial Circle, Augusta, Maine

Website: www.maine.gov/ethics
 Phone: 207-287-4179
 Fax: 207-287-6775

2012 CAMPAIGN FINANCE REPORT

FOR MCEA CANDIDATES

CANDIDATE		
NICH S. FARNHAM 11 FAIRMOUNT PARK WEST BANGOR, ME 04401 OFFICE SOUGHT: SENATE DISTRICT: 32		TEL: (207)990-2011 FAX: E-MAIL: nichl@aol.com
TREASURER		
CHARLES F. BUDD 384 FRENCH ST BANGOR, ME 04401		TEL: (207)941-0223 FAX: (207)947-9715 E-MAIL: cbudd@rudmanwinchell.com
TYPE OF REPORT	DUE DATE	REPORTING PERIOD
42-DAY PRE-GENERAL	09/25/2012	7/18/2012 - 9/18/2012
NO FINANCIAL ACTIVITY IN THIS REPORTING PERIOD FOR SCHEDULES A, D, E		
CERTIFICATION		
I, NICH S. FARNHAM, CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT IS TRUE, ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. REPORT FILED BY: NICH S. FARNHAM REPORT FILED ON: 9/24/2012 IF THIS REPORT IS FILED BY AN AUTHORIZED AGENT OF THE CANDIDATE, THE CANDIDATE, TREASURER AND AGENT ARE LIABLE FOR ANY VIOLATIONS OF MAINE CAMPAIGN FINANCE LAW (21-A M.R.S.A. CHAPTER 13) AND THE COMMISSION'S RULES THAT MAY RESULT FROM THE FILING OF A FALSE OR INACCURATE REPORT.		

UNSWORN FALSIFICATION IS A CLASS D CRIME (17-A M.R.S.A. § 463).

**SCHEDULE B
EXPENDITURES**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mall house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls	Only these expenditure types require a remark: CNS, EQP, FND, OTH, PRO, SAL, TRV.		

DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
09/01/2012	COFFEE NEWS		PRT	\$420.00
09/17/2012	BANGOR LETTER SHOP		LIT	\$85.79
09/17/2012	MODERN SCREEN PRINT		LIT	\$429.30
TOTAL EXPENDITURES ⇒				\$935.09

SCHEDULE F
SUMMARY SECTION
(MAINE CLEAN ELECTION ACT CANDIDATES)

CASH ACTIVITY		
	TOTAL FOR THIS PERIOD	TOTAL FOR CAMPAIGN
1. CASH BALANCE FROM LAST REPORT	\$19,770.07	
2. SEED MONEY CONTRIBUTIONS		\$1,500.00
3. MAINE CLEAN ELECTION ACT PAYMENTS & AUTHORIZATIONS	\$0.00	\$19,955.00
4. SALE OF CAMPAIGN PROPERTY (Schedule E, Part 2)	\$0.00	\$0.00
5. OTHER CASH RECEIPTS (Interest, etc.)	\$0.00	\$0.00
6. MINUS EXPENDITURES (Schedule B)	\$935.09	\$2,620.02
7. CASH BALANCE AT CLOSE OF PERIOD (Lines 1 + 3 + 4 + 5 - 6)	\$18,834.98	

OTHER ACTIVITY		
8. IN-KIND SEED MONEY CONTRIBUTIONS		\$0.00
9. TOTAL UNPAID DEBTS AT CLOSE OF PERIOD (Schedule D)	\$0.00	



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 Fax: 207-287-6775

2012 CAMPAIGN FINANCE REPORT

FOR MCEA CANDIDATES

CANDIDATE		
THOMAS H. MARTIN 1308 CLINTON AVE BENTON, ME 04901 OFFICE SOUGHT: SENATE	DISTRICT: 25	TEL: (207)453-2484 FAX: (207)453-4774 E-MAIL: nitram@roadrunner.com
TREASURER		
RONALD GAULIN 23 MAPLE ST WATERVILLE, ME 04901		TEL: (207)649-5992 FAX: (207)453-4774 E-MAIL: ron@nitramexc.com
TYPE OF REPORT	DUE DATE	REPORTING PERIOD
42-DAY PRE-GENERAL	09/25/2012	7/18/2012 - 9/18/2012
NO FINANCIAL ACTIVITY IN THIS REPORTING PERIOD FOR SCHEDULES A, D, E		
CERTIFICATION		
<p>I, THOMAS H. MARTIN, CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT IS TRUE, ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.</p> <p>REPORT FILED BY: THOMAS H. MARTIN REPORT FILED ON: 9/25/2012</p> <p>IF THIS REPORT IS FILED BY AN AUTHORIZED AGENT OF THE CANDIDATE, THE CANDIDATE, TREASURER AND AGENT ARE LIABLE FOR ANY VIOLATIONS OF MAINE CAMPAIGN FINANCE LAW (21-A M.R.S.A. CHAPTER 13) AND THE COMMISSION'S RULES THAT MAY RESULT FROM THE FILING OF A FALSE OR INACCURATE REPORT.</p>		

UNSWORN FALSIFICATION IS A CLASS D CRIME (17-A M.R.S.A. § 453).

**SCHEDULE B
EXPENDITURES**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls	Only these expenditure types require a remark: CNS, EQP, FND, OTH, PRO, SAL, TRV.		

DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
08/20/2012	COLOR GRAPHICS, LLC	Palm cards	LIT	\$1,394.40
09/10/2012	SCOTT FISH	Face book, Twitter pages	PRO	\$200.00
TOTAL EXPENDITURES ⇒				\$1,594.40

SCHEDULE F
SUMMARY SECTION
(MAINE CLEAN ELECTION ACT CANDIDATES)

CASH ACTIVITY		
	TOTAL FOR THIS PERIOD	TOTAL FOR CAMPAIGN
1. CASH BALANCE FROM LAST REPORT	\$18,949.73	
2. SEED MONEY CONTRIBUTIONS		\$1,500.00
3. MAINE CLEAN ELECTION ACT PAYMENTS & AUTHORIZATIONS	\$0.00	\$19,954.85
4. SALE OF CAMPAIGN PROPERTY (Schedule E, Part 2)	\$0.00	\$0.00
5. OTHER CASH RECEIPTS (Interest, etc.)	\$0.00	\$0.00
6. MINUS EXPENDITURES (Schedule B)	\$1,594.40	\$4,099.52
7. CASH BALANCE AT CLOSE OF PERIOD (lines 1 + 3 + 4 + 5 - 6)	\$17,355.33	

OTHER ACTIVITY		
8. IN-KIND SEED MONEY CONTRIBUTIONS		\$0.00
9. TOTAL UNPAID DEBTS AT CLOSE OF PERIOD (Schedule D)	\$0.00	

**IRWIN
&
TARDY
MORRIS**

William P. Logan
wlogan@itmlaw.com

159 Main Street
P.O. Box 476
Newport, Maine 04953

207.368.2828 T
207.368.2822 F

October 17, 2012

Jonathan Wayne, Executive Director
Maine Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333

Re: **Response of Nichi Farnham**
October 4, 2012 Request for Investigation by Maine Democratic Party

Dear Jonathan:

Please accept this letter as the response of Senator Nichi Farnham to the request for investigation from the Maine Democratic Party (MDP) dated October 4, 2012.

Senator Farnham acknowledges that the production costs for the video were incurred prior to the September 18, 2012 close of reporting. The failure to include the production costs for the video was an error on the part of the campaign. Upon receiving notice of its error, the Farnham campaign amended its report on September 27, 2012 to disclose the debt. This correction was made on the same day the campaign received notice of the issue.

The campaign submits that there are several mitigating factors for the Commission to consider. First, the campaign's treasurer does not have significant prior experience. Second, the error was corrected a mere three days after the initial report was due and immediately upon receiving notice of the omission. Third, it does not appear that there is any harm to the public on account of this error. Therefore any penalty, other than a perhaps a nominal penalty, would be disproportionate.

Senator Farnham will be present and available to answer any questions and provide any additional information relevant to this inquiry.

Sincerely,



William P. Logan, Esq.

cc: Sen. Nichi Farnham

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&
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October 17, 2012

Jonathan Wayne, Executive Director
Maine Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333

Re: **Response of Senator Thomas Martin**
September 27, 2012 Request for Investigation by Maine Democratic Party

Dear Jonathan:

Please accept this letter and attachment as the response of Senator Martin to the request for investigation from the Maine Democratic Party (MDP) dated September 27, 2012.

The MDP's request acknowledges that the YouTube video was not uploaded onto YouTube until September 19, 2012, one day after the close of the reporting period for the 42-Day General Report. What the MDP fails to note is that the video was not publicly placed on YouTube, it was placed on a private channel to permit Sen. Martin to provide feedback to the vendor, Strategy Maine. I attach an e-mail from Strategy Maine which details its production process and billing practices.

The MDP's complaint acknowledges that the video was revised and a final version was made publicly available on September 24, 2012. Again, this occurred after the close of the reporting period. Finally, the attached e-mail indicates that Sen. Martin was under no obligation to pay for the video unless and until he finally approved of the work. As the MDP tacitly acknowledges, the video was not finalized until after the close of the reporting period. As such, the obligation to pay the vendor did not arise until during the reporting period.

The MDP's request relies on its own assumption that there was a contract, promise or agreement to make an expenditure that occurred during the reporting period. However, the vendor's billing policies belie this assumption. From the viewpoint of the candidate and vendor, the obligation to make a payment for production costs did not arise until the final work had been completed and ultimately approved by the candidate. Accordingly, where this video was still being revised as of at least September 19, 2012, there was no expenditure to report for the period that closed on September 18, 2012.

Martin Response
October 17, 2012
Page 2 of 2

Please let me know if you believe that Senator Martin's presence is necessary at the Commission's October 31, 2012 meeting. Should you have any other questions or require additional information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Will Logan', with a long horizontal flourish extending to the right.

William P. Logan, Esq.

Enclosure

cc: Sen. Thomas Martin

Subject: Senator Martin

Date: Tuesday, October 16, 2012 8:21 PM

From: Cary Weston <cary@strategymaine.com>

To: Bill Logan <wlogan@itmlaw.com>

Hi Bill,

It's come to my attention that the TV ad we developed for Sen. Martin was viewed online prior to a financial report shows and expenditure.

I wanted to explain how we handle the production process so you can answer some questions should they arise.

When we develop TV ads for clients, we share them on a private address using YouTube. This enables the client to review and comment on the production so that we can make edits if needed. We use YouTube because it enables folks to watch the video from a variety of devices and not force them to download a large video file.

We use a private URL or website address through YouTube so that it is not public and only those with the address can view. The posting is not for public viewing and is not intended for public viewing.

We do not invoice for production until it has been approved by the client.

I'm not sure the details of what got posted where publicly by whom but I wanted to share why the ad would have in a YouTube format and share with you our billing practices.

Please let me know if you have any further questions or need for additional information.

Best

Cary Weston

Strategy Maine

**IRWIN
&
TARDY
MORRIS**

William P. Logan
wlogan@itmlaw.com

159 Main Street
P.O. Box 476
Newport, Maine 04953

207.368.2828 T
207.368.2822 F

October 17, 2012

Jonathan Wayne, Executive Director
Maine Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333

Re: Response of Bradford Littlefield
September 27, 2012 Request for Investigation by Maine Democratic Party

Dear Jonathan:

Please accept this letter and attachment as the response of Bradford Littlefield to the request for investigation from the Maine Democratic Party (MDP) dated September 27 2012.

Bradford Littlefield purchased the mailer in question from the vendor, Red Maverick Media. All services were purchased through the vendor. Mr. Littlefield provided the vendor with the required disclaimer information. However, due to an error by the vendor, the disclaimer failed to include the identity of the financier of the communication. However, it is clear that the remainder of the required disclaimer information. In fact, the language "PAID FOR AND AUTHORIZED BY" does appear on the mailer, however the field for the identity is blank.

Attached for the Commission's consideration is an e-mail from the vendor indicating that it was provided the requisite information by candidate Littlefield. The e-mail also states that the error was solely on the vendor's part.

In deciding whether to assess a civil penalty, the Commission is required to consider several factors including, whether the violation was intentional, whether the violation occurred as a result of an error by the printer or other vendor, and whether the communication does not misrepresent or conceal the identity of the financier of the communication. 21-A M.R.S.A. §1014(4). In these circumstances, the underlying facts are such that the Commission should not assess any penalty. First, this was not an intentional violation, the candidate provided the proper disclaimer to the vendor. Secondly, it is clear that the error was the part of the vendor. Finally, the communication does not misrepresent or conceal the identity of the financier of the communication – in fact the communication

Littlefield Response
October 17, 2012
Page 2 of 2

includes Mr. Littlefield's address, which is not actually required. "A communication financed by a candidate or the candidate's committee is not required to state the address of the candidate or the committee that financed the communication." 21-A M.R.S.A. §1014(1).

The mailing in question is not in full compliance with the statute due to the partially incomplete disclaimer. However, in summation, the circumstances described above militate in favor of the Commission imposing no civil penalty against Bradford Littlefield for the partially incomplete disclaimer on the mailing.

Based on the foregoing response, it is not expected that the Commission will require Mr. Littlefield's presence at the October 31, 2012 meeting. If the Commission does feel his presence is required or desired, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'William P. Logan', with a long horizontal flourish extending to the right.

William P. Logan, Esq.

Enclosures

cc: Bradford Littlefield

Monday, October 15, 2012 4:45 PM

Subject: Littlfield

Date: Monday, October 15, 2012 3:09 PM

From: Mike Leavitt <mike@redmaverickmedia.com>

To: Bill Logan <wlogan@itmlaw.com>

Bill

I am writing to confirm that red maverick media was provided the disclaimer for brad Littlefield and we accidentally did not include it on the mail piece. It was oversight of our mail designer.

Mike Leavitt.

Sent from my iPhone



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

October 18, 2012

By E-Mail and Regular Mail

William P. Logan, Esq.
Irwin, Tardy & Morris
P.O. Box 476
Newport, Maine 04953

Dear Mr. Logan:

Thank you for your letter dated October 17, 2012 concerning the completeness of Senator Thomas Martin's September 25, 2012 campaign finance report. This letter is to request answers to three factual questions in writing. If you can provide the answers by October 23, 2012, I will include the response in the packet of written materials I mail to the Commissioners. If later, I will e-mail your response to the Commissioners.

Legal Requirements

Candidates are required to report expenditures, which includes "[a] contract, promise or agreement, expressed or implied, whether or not legally enforceable" to make a payment. (21-A M.R.S.A. § 1012(3)(A)(2)) This definition includes an implied promise established through the parties' actions, even if not expressed explicitly.

In Chapter 1, § 7(3) of the Commission's Rules (attached), the Commission interprets the duty to report expenditures to cover a number of campaign finance events, including

- the placement of an order for a good or a service,
- the delivery of a good or a service, or
- a promise or agreement that a payment will be made.

Factual Information Requested

At the October 31 meeting, the Commissioners are expected to determine whether Senator Martin was required to disclose an unpaid debt or obligation in his September 25 report. In order to assist the Commissioners in making that determination, please answer the following questions:

1. What is the earliest date on which Sen. Martin made a promise or agreement to pay Strategy Maine for the costs of producing any video? (This would include an implied agreement.)

William P. Logan, Esq.

Page 2

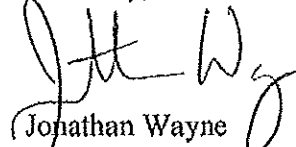
October 18, 2012

2. When did Sen. Martin place an order for a campaign video (i.e., authorize Strategy Maine to produce a video)? If he ordered the video without making a promise to pay for it, please feel free to explain the arrangements further.
3. In your October 17, 2012 letter, you state that the video was uploaded to YouTube on September 19, 2012, and prior to that was placed on a private channel for Senator Martin's review. The Commission staff is having trouble reconciling that statement with the information posted on YouTube and As Maine Goes suggesting that it was accessible to the public as early as September 12 and 14.

Could you please review the dates that are highlighted with arrows in the enclosure and provide any information that would help us sort out when the video was viewable to the public? The public posting date does not necessarily determine the date of the obligation, but it is relevant to when Sen. Martin received a service that had campaign value to him.

If you have any questions, please call me at 287-4179.

Sincerely,


Jonathan Wayne
Executive Director

cc: Katharine R. Knox, Esq.

agency, firm, organization, etc., if that retainer or fee was used to pay third party vendors or payees for campaign-related goods and services.

2. **Expenditures by Political Action Committees.** In addition to the requirements set forth in 21-A M.R.S.A. §1060(4), the reports must contain the purpose of each expenditure and the name of each payee and creditor.
3. **Timing of Reporting Expenditures**
 - A. Placing an order with a vendor for a good or service; signing a contract for a good or service; the delivery of a good or the performance of a service by a vendor; or a promise or an agreement (including an implied one) that a payment will be made constitutes an expenditure, regardless whether any payment has been made for the good or service.
 - B. Expenditures must be reported at the earliest of the following events:
 - (1) The placement of an order for a good or service;
 - (2) The signing of a contract for a good or service;
 - (3) The delivery of a good or the performance of a service by a vendor;
 - (4) A promise or an agreement (including an implied one) that a payment will be made; or
 - (5) The making of a payment for a good or service.
 - C. At the time the duty to report an expenditure arises, the person submitting the report is required to determine the value of goods and services to be rendered (preferably through a written statement from the vendor) and to report that value as the amount of the expenditure. If the expenditure involves more than one candidate election, the report must include an allocation of the value to each of those candidate elections.
4. **Advance Purchases of Goods and Services for the General Election [Repealed]**
5. All campaign-related payments made with the personal funds or credit card of the candidate or an individual authorized by the candidate must be reported as expenditures in the reporting period during which the payment to the vendor or payee is made. The candidate must report the name of the vendor or payee to whom the payment was made, the date of the expenditure, and the purpose and amount of the expenditure. When the expenditure is reported, the candidate should indicate the person who made the payment by entering "Paid by [name of candidate or supporter]" in the remarks section of the expenditure schedule. It is not sufficient to report only the name of the candidate or authorized individual to whom reimbursement was made and the total amount of the reimbursement. If a Maine Clean Election Act candidate or an individual authorized by the candidate uses personal funds to make an expenditure on behalf of the candidate, the candidate or individual must be reimbursed within the same reporting period.
6. Multiple expenditures for bank fees and for vehicle travel may be reported in an aggregate amount, provided that the candidate or committee identifies the time period of the expenditures in the remarks section of the report.

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JonathanWayne@ya...

THOMAS MARTIN, "Strong Ally"

StrategyMaine

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4 videos

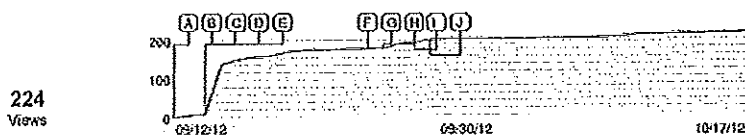


Like Add to Share

224 views

Video statistics

Views and discovery



Key discovery events

- A** First view from a mobile device
Sep 12, 2012 - 26 views
- B** First referral from: mail.live.com
Sep 14, 2012 - 4 views
- C** First referral from: facebook.com
Sep 14, 2012 - 30 views
- D** First embedded on: facebook.com
Sep 14, 2012 - 42 views
- E** First embedded on: asmainegoes.com
Sep 14, 2012 - 57 views
- F** First referral from related video
Sep 24, 2012 - 2 views
- G** First referral from YouTube search: tom martin strong ally
Sep 25, 2012 - 2 views
- H** First referral from related video: MARTIN FOR SENATE, "Strong Ally"
Sep 26, 2012 - 3 views
- I** First embedded on: googleusercontent.com
Sep 27, 2012 - 3 views
- J** First referral from YouTube search: tom martin maine
Sep 28, 2012 - 4 views



Too Many Avengers
by collegehumor
1,360,416 views **FEATURED**



Tom Martin is a Rubber Stamp
by SCCCME
81 views



Lobstering in Maine ...Hard
by calobsterzone
166 views



COURTNEY FOR CONGRESS
by StrategyMaine
273 views



Leave No Doubt
by preachermandorsia
302,103 views



Maine's New Governor, Paul LePage, Tells
by thepenrev
661 views



PLOWMAN FOR U.S. SENATE
by StrategyMaine
551 views



The Fishermen's Forum (Part 1)
by mobizsunday
111 views



Maine GOP Goes After Candidate for World of
by NewsyPolitics
217 views



GCTV #15 (Austin, TX)
by GChomsVideos
8,915 views



Nichi Farnham, Running for You
by FarnhamForSenate
219 views



Good Charlotte Interview Billy Martin
by BryanSlars
14,223 views



FARNHAM FOR SENATE, "Running For
by StrategyMaine
80 views



Forth of July 2010 on the Lucky Catch
by MashMarketing
61 views

Sandy Blvar

Show less events

by SRRLRR
5,506 views

Engagement

Audience

2:10

1
Comments

0
Favorites

Top demographics

Female, 45-54 years
Male, 45-54 years
Female, 35-44 years

1
Likes

0
Dislikes

0:48

martin Intro
by S020ma'ne
21,804 views



Jeff Martin Portland
GOP Candidates 2008
by portlandmainegop
153 views



I Wish I Knew How It
Would Feel To Be Free
by Music4bc
32,811 views



2009 Mets Vlog: Arms
of spring
by dumbbuff
2,850 views



SKILLS Inc - eWaste
Alternatives
by Chris Martin
508 views

Published on Sep 19, 2012 by StrategyMaine
THOMAS MARTIN
"Strong Ally"
Produced by Strategy Maine
September 12, 2012

1 like, 0 dislikes

Category:
News & Politics
License:
Standard YouTube License

Show less

Load more suggestions

All Comments (1)

see all



Respond to this video...

Well, it is good to know that Martin does have the ability to crack a smile. First time I've ever seen it.

Dirigo Blue 1 month ago

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Download your favorite music. 




Kids' Halloween Costumes

Senator Tom Martin Launches 'Strong Ally' TV Ad

Login to post comments

1 reply (Last post)

Fri, 09/14/2012 - 6:11am

handheld

Offline

Joined: 09/27/2011



Visit Senator Tom Martin's Campaign Facebook Page

Top

Login to post comments

Fri, 09/14/2012 - 12:45pm

#1

Thrasybulus

Offline

Joined: 03/16/2008

Excellent commercial

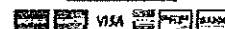
Search

Search

Thanks for Your Help

Keeping AMG
Going Strong

[Donate](#)



Navigation

Feed aggregator

3. Expenditure. The term "expenditure:"

A. Includes:

- (1) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination or election of any person to political office, except that a loan of money to a candidate by a financial institution in this State made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included;
- (2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure;
- (3) The transfer of funds by a candidate or a political committee to another candidate or political committee; and
- (4) A payment or promise of payment to a person contracted with for the purpose of influencing any campaign as defined in section 1052, subsection 1; and

* [

B. Does not include:

- (1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless the facilities are owned or controlled by any political party, political committee, candidate, or candidate's immediate family;
- (1-A) Any communication distributed through a public access television station if the communication complies with the laws and rules governing the station and all candidates in the race have an equal opportunity to promote their candidacies through the station;
- (2) Activity or communication designed to encourage individuals to register to vote or to vote if that activity or communication does not mention a clearly identified candidate;
- (3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;
- (4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities does not exceed \$100 with respect to any election;
- (5) Any unreimbursed travel expenses incurred and paid for by an individual who volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election;
- (5-A) Any unreimbursed campaign-related travel expenses incurred and paid for by the candidate or the candidate's spouse or domestic partner;

21A § 1014. Publication or distribution of political statements

1. Authorized by candidate. Whenever a person makes an expenditure to finance a communication expressly advocating the election or defeat of a clearly identified candidate through broadcasting stations, cable television systems, newspapers, magazines, campaign signs or other outdoor advertising facilities, publicly accessible sites on the Internet, direct mails or other similar types of general public political advertising or through flyers, handbills, bumper stickers and other nonperiodical publications, the communication, if authorized by a candidate, a candidate's authorized political committee or their agents, must clearly and conspicuously state that the communication has been so authorized and must clearly state the name and address of the person who made or financed the expenditure for the communication. The following forms of political communication do not require the name and address of the person who made or authorized the expenditure for the communication because the name or address would be so small as to be illegible or infeasible: ashtrays, badges and badge holders, balloons, campaign buttons, clothing, coasters, combs, emery boards, envelopes, erasers, glasses, key rings, letter openers, matchbooks, nail files, noisemakers, paper and plastic cups, pencils, pens, plastic tableware, 12-inch or shorter rulers, swizzle sticks, tickets to fund-raisers, electronic media advertisements where compliance with this section would be impracticable due to size or character limitations and similar items determined by the commission to be too small and unnecessary for the disclosures required by this section. A communication financed by a candidate or the candidate's committee is not required to state the address of the candidate or committee that financed the communication. A communication in the form of a sign that is financed by a candidate or the candidate's committee and that clearly identifies the name of the candidate and is lettered or printed individually by hand is not required to include the name and address of the person who made or financed the communication or to include a statement that the communication has been authorized by the candidate, the candidate's authorized committee or their agents.


2. Not authorized by candidate. If the communication described in subsection 1 is not authorized by a candidate, a candidate's authorized political committee or their agents, the communication must clearly and conspicuously state that the communication is not authorized by any candidate and state the name and address of the person who made or financed the expenditure for the communication. If the communication is in written form, the communication must contain at the bottom of the communication in 12-point bold print, Times New Roman font, the words "NOT PAID FOR OR AUTHORIZED BY ANY CANDIDATE."

2-A. Other communications. Whenever a person makes an expenditure to finance a communication that names or depicts a clearly identified candidate and that is disseminated during the 21 days before a primary election or 35 days before a general election through the media described in subsection 1, the communication must state the name and address of the person who made or financed the communication and a statement that the communication was or was not authorized by the candidate. The disclosure is not required if the communication was not made for the purpose of influencing the candidate's nomination for election or election.

3. Broadcasting prohibited without disclosure. No person operating a broadcasting station or cable television system within this State may broadcast any communication, as described in subsections 1 to 2-A, without an oral or written visual announcement of the disclosure required by this section.

3-A. In-kind contributions of printed materials. A candidate, political committee or political action committee shall report on the campaign finance report as a contribution to the candidate, political committee or political action committee any contributions of in-kind printed materials to be used in the support of a candidate or in the support or defeat of a ballot question. Any in-kind contributions of printed materials used or distributed by a candidate, political committee or political action committee must include the name or title of that candidate, political committee or political action committee as the authorizing agent for the printing and distribution of the in-kind contribution.

3-B. Newspapers. A newspaper may not publish a communication described in subsections 1 to 2-A, without including the disclosure required by this section. For purposes of this subsection, "newspaper" includes any printed material intended for general circulation or to be read by the general public, including a version of the newspaper displayed on a website owned or operated by the newspaper. When necessary, a newspaper may seek the advice of the commission regarding whether or not the communication requires the disclosure.

 **4. Enforcement.** A violation of this section may result in a civil penalty of no more than \$5,000, except that an expenditure for yard signs lacking the required information may result in a maximum civil penalty of \$200. In assessing a civil penalty, the commission shall consider, among other things, how widely the communication was disseminated, whether the violation was intentional, whether the violation occurred as the result of an error by a printer or other paid vendor and whether the communication conceals or misrepresents the identity of the person who financed it. If the person who financed the communication or who committed the violation corrects the violation within 10 days after receiving notification of the violation from the commission by adding the missing information to the communication, the commission may decide to assess no civil penalty.

5. Telephone calls. Prerecorded automated telephone calls and scripted live telephone communications that name a clearly identified candidate during the 21 days before a primary election or the 35 days before a general election must clearly state the name of the person who made or financed the expenditure for the communication, except for prerecorded automated telephone calls paid for by the candidate that use the candidate's voice in the telephone call and that are made in support of that candidate. Telephone calls made for the purposes of researching the views of voters are not required to include the disclosure.

6. Exclusions. The requirements of this section do not apply to:

A. Handbills or other literature produced and distributed at a cost not exceeding \$100 and prepared by one or more individuals who are not required to register or file campaign finance reports with the commission and who are acting independently of and without authorization by a candidate, candidate's authorized campaign committee, party committee, political action committee or ballot question committee or an agent of a candidate, candidate's authorized campaign committee, party committee, political

G. Unless otherwise specified in this subsection, reports must be complete back to the end date of the previous report filing period. The reports described in paragraph E, if filed with respect to a primary election, are considered previous reports in relation to reports concerning a general election.

H. Reports with respect to a candidate who seeks nomination by petition for the office of Governor must be filed on the same dates that reports must be filed with respect to a candidate who seeks that nomination by primary election.

3. Other candidates. (REPEALED)

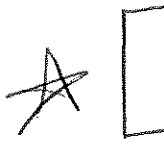
3-A. Other candidates. A treasurer of a candidate for state or county office other than the office of Governor shall file reports with the commission and municipal candidates shall file reports with the municipal clerk as follows. Once the first required report has been filed, each subsequent report must cover the period from the end date of the prior report filed.

A. In any calendar year in which an election for the candidate's particular office is not scheduled, when any candidate or candidate's political committee has received contributions in excess of \$500 or made or authorized expenditures in excess of \$500, reports must be filed no later than 11:59 p.m. on July 15th of that year and January 15th of the following calendar year. These reports must include all contributions made to and all expenditures made or authorized by or on behalf of the candidate or the treasurer of the candidate as of the end of the preceding month, except those covered by a previous report.

B. Reports must be filed no later than 11:59 p.m. on the 11th day before the date on which an election is held and must be complete as of the 14th day before that date. If a report was not filed under paragraph A, the report required under this paragraph must cover all contributions and expenditures through the 14th day before the election.

C. Contributions aggregating \$1,000 or more from any one contributor or single expenditures of \$1,000 or more made after the 14th day before any election and more than 24 hours before 11:59 p.m. on the day of any election must be reported within 24 hours of those contributions or expenditures.

D. Reports must be filed no later than 11:59 p.m. on the 42nd day after the date on which an election is held and must be complete for the filing period as of the 35th day after that date.

 D-1. Reports must be filed no later than 11:59 p.m. on the 42nd day before the date on which a general election is held and must be complete as of the 49th day before that date, except that this report is not required for candidates for municipal office.


E. Unless further reports will be filed in relation to a later election in the same calendar year, the disposition of any surplus or deficit in excess of \$100 shown in the reports described in paragraph D must be reported as provided by this paragraph. The treasurer of a candidate with a surplus or deficit in excess of \$100 shall file reports semiannually with the commission within 15 days following the end of the 2nd and 4th quarters of the State's fiscal year, complete as of the last day of the quarter, until the surplus is disposed of or the deficit is liquidated. The first report under this

paragraph is not required until the 15th day of the period beginning at least 90 days from the date of the election. The reports will be considered timely if filed electronically or in person with the commission on that date or postmarked on that date. The reports must set forth any contributions for the purpose of liquidating the deficit, in the same manner as contributions are set forth in other reports required in this section.

F. Reports with respect to a candidate who seeks nomination by petition must be filed on the same dates that reports must be filed by a candidate for the same office who seeks that nomination by primary election.

3-B. Accelerated reporting schedule. (REPEALED)

4. New candidate or nominee. A candidate for nomination or a nominee chosen to fill a vacancy under Chapter 5, subchapter 3 is subject to section 1013-A, subsection 1, except that the candidate shall register the name of a treasurer or political committee and all other information required in section 1013-A, subsection 1, paragraphs A and B within 7 days after the candidate's appointment or at least 6 days before the election, whichever is earlier. The commission shall send notification of this registration requirement and report forms and schedules to the candidate and the candidate's treasurer immediately upon notice of the candidate's and treasurer's appointments.

 **5. Content.** A report required under this section must contain the itemized accounts of contributions received during that report filing period, including the date a contribution was received, and the name, address, occupation, principal place of business, if any, and the amount of the contribution of each person who has made a contribution or contributions aggregating in excess of \$50. The report must contain the itemized expenditures made or authorized during the report filing period, the date and purpose of each expenditure and the name of each payee and creditor and any refund that a payee has made to the candidate or an agent of the candidate. If the payee is a member of the candidate's household or immediate family, the candidate must disclose the candidate's relationship to the payee in a manner prescribed by the commission. The report must contain a statement of any loan to a candidate by a financial institution in connection with that candidate's candidacy that is made during the period covered by the report, whether or not the loan is defined as a contribution under section 1012, subsection 2, paragraph A. The candidate and the treasurer are jointly and severally responsible for the timely and accurate filing of each required report.

5-A. Valuation of contributions sold at auction. Any contribution received by a candidate that is later sold at auction must be reported in the following manner.

A. If the contribution is sold at auction before the commencement of the appropriate reporting period specified in subsections 2 to 4, or during that period, the value of the contribution is deemed to be the amount of the purchase price paid at auction.

B. If the contribution is sold after the termination of the appropriate reporting period specified in subsections 2 to 4, the value of the contribution is the difference between the value of the contribution as originally reported by the treasurer and the amount of the purchase price paid at auction. Unless further reports are filed in relation to a later election in the same calendar year, the disposition of any net surplus or deficit in excess of

B. A telephone survey that meets generally accepted standards for polling research and that is not conducted for the purpose of changing the voting position of the call recipients or discouraging them from voting;

C. A telephone call naming a clearly identified candidate that identifies an individual's position on a candidate, ballot question or political party for the purpose of encouraging the individual to vote, as long as the call contains no advocacy for or against any candidate; and

D. A voter guide that consists primarily of candidates' responses to surveys and questionnaires and that contains no advocacy for or against any candidate.

21A § 1020. Failure to file on time (REPEALED)

21A § 1020-A. Failure to file on time

1. Registration. A candidate that fails to register the name of a candidate, treasurer or political committee with the commission within the time allowed by section 1013-A, subsection 1 may be assessed a forfeiture of \$10. The commission shall determine whether a registration satisfies the requirements for timely filing under section 1013-A, subsection 1.

2. Campaign finance reports. A campaign finance report is not timely filed unless a properly signed or electronically submitted copy of the report, substantially conforming to the disclosure requirements of this subchapter, is received by the commission by 11:59 p.m. on the date it is due. Except as provided in subsection 7, the commission shall determine whether a report satisfies the requirements for timely filing. The commission may waive a penalty in whole or in part if the commission determines that the penalty is disproportionate to the size of the candidate's campaign, the level of experience of the candidate, treasurer or campaign staff or the harm suffered by the public from the late disclosure. The commission may waive the penalty in whole or in part if the commission determines the failure to file a timely report was due to mitigating circumstances. For purposes of this section, "mitigating circumstances" means:

A. A valid emergency determined by the commission, in the interest of the sound administration of justice, to warrant the waiver of the penalty in whole or in part;

B. An error by the commission staff;

C. Failure to receive notice of the filing deadline; or

D. Other circumstances determined by the commission that warrant mitigation of the penalty, based upon relevant evidence presented that a bona fide effort was made to file the report in accordance with the statutory requirements, including, but not limited to, unexplained delays in postal service or interruptions in Internet service.


3. Municipal campaign finance reports. Municipal campaign finance reports must be filed, subject to all the provisions of this subchapter, with the municipal clerk on forms prescribed by the Commission on Governmental Ethics and Election Practices. The

H. Otherwise substantially violated the provisions of this chapter or chapter 13; or

I. As a gubernatorial candidate, failed to properly report seed money contributions as required by this section.

The determination to revoke the certification of a candidate must be made by a vote of the members of the commission after an opportunity for a hearing. A candidate whose certification is revoked shall return all unspent funds to the commission within 3 days of the commission's decision and may be required to return all funds distributed to the candidate. In addition to the requirement to return funds, the candidate may be subject to a civil penalty under section 1127. The candidate may appeal the commission's decision to revoke certification in the same manner provided in subsection 14, paragraph C.

5-B. Restrictions on serving as treasurer. A participating or certified candidate may not serve as a treasurer or deputy treasurer for that candidate's campaign, except that the candidate may serve as treasurer or deputy treasurer for up to 14 days after declaring an intention to qualify for campaign financing under this chapter until the candidate identifies another person to serve as treasurer.

 **6. Restrictions on contributions and expenditures for certified candidates.** After certification, a candidate must limit the candidate's campaign expenditures and obligations, including outstanding obligations, to the revenues distributed to the candidate from the fund and may not accept any contributions unless specifically authorized by the commission. Candidates may also accept and spend interest earned on fund revenues in campaign bank accounts. All revenues distributed to a certified candidate from the fund must be used for campaign-related purposes. The candidate, the treasurer, the candidate's committee authorized pursuant to section 1013-A, subsection 1 or any agent of the candidate and committee may not use these revenues for any but campaign-related purposes. The commission shall publish guidelines outlining permissible campaign-related expenditures.

6-A. Assisting a person to become an opponent. A candidate or a person who later becomes a candidate and who is seeking certification under subsection 5, or an agent of that candidate, may not assist another person in qualifying as a candidate for the same office if such a candidacy would result in the distribution of revenues under subsections 7 and 8-A for certified candidates in a contested election.

6-B. (REPEALED)

6-C. Expenditures to the candidate or family or household members. Expenditures to the candidate or immediate family member or household member of the candidate are governed by this subsection.

A. The candidate may not use fund revenues to compensate the candidate or a sole proprietorship of the candidate for campaign-related services.

B. A candidate may not make expenditures using fund revenues to pay a member of the candidate's immediate family or household, a business entity in which the candidate or a member of the candidate's immediate family or household holds a significant proprietary or financial interest or a nonprofit entity in which the candidate or a member of the candidate's immediate family or household is a director, officer, executive director or chief financial officer, unless the expenditure is made:


C. A challenger may appeal the decision of the commission in paragraph B by commencing an action in Superior Court within 5 days of the date of the commission's decision. The action must be conducted in accordance with Rule 80C of the Maine Rules of Civil Procedure, except that the court shall issue its written decision within 20 days of the date of the commission's decision. Any aggrieved party may appeal the decision of the Superior Court by filing a notice of appeal within 3 days of that decision. The record on appeal must be transmitted to the Law Court within 3 days after the notice of appeal is filed. After filing the notice of appeal, the parties have 4 days to file briefs and appendices with the clerk of the court. The court shall consider the case as soon as possible after the record and briefs have been filed and shall issue its decision within 14 days of the decision of the Superior Court.

D. A candidate whose certification as a Maine Clean Election Act candidate is reversed on appeal must return to the commission any unspent revenues distributed from the fund. If the commission or court finds that an appeal was made frivolously or to cause delay or hardship, the commission or court may require the moving party to pay costs of the commission, court and opposing parties, if any.

21A § 1126. Commission to adopt rules

The commission shall adopt rules to ensure effective administration of this chapter. These rules must include but must not be limited to procedures for obtaining qualifying contributions, certification as a Maine Clean Election Act candidate, circumstances involving special elections, vacancies, recounts, withdrawals or replacements, collection of revenues for the fund, distribution of fund revenue to certified candidates, return of unspent fund disbursements, disposition of equipment purchased with clean election funds and compliance with the Maine Clean Election Act. Rules of the commission required by this section are major, substantive rules as defined in Title 5, chapter 375, subchapter II-A.

21A § 1127. Violations



1. Civil fine. In addition to any other penalties that may be applicable, a person who violates any provision of this chapter or rules of the commission adopted pursuant to section 1126 is subject to a fine not to exceed \$10,000 per violation payable to the fund. In addition to any fine, for good cause shown, a candidate, treasurer, consultant or other agent of the candidate or the political committee authorized by the candidate pursuant to section 1013-A, subsection 1, found in violation of this chapter or rules of the commission may be required to return to the fund all amounts distributed to the candidate from the fund or any funds not used for campaign-related purposes. If the commission makes a determination that a violation of this chapter or rules of the commission has occurred, the commission shall assess a fine or transmit the finding to the Attorney General for prosecution. A final determination by the commission may be appealed to Superior Court in accordance with Title 5, chapter 375, subchapter 7 and the Maine Rules of Civil Procedure, Rule 80C. Fines assessed or orders for return of funds issued by the commission pursuant to this subsection that are not paid in full within 30 days after issuance of a notice of the final determination may be enforced in accordance with section 1004-B. Fines paid under this section must be deposited in the fund. In determining whether or not a candidate is in violation of the expenditure limits of this

3. the person makes an expenditure in response to a general, non-specific request for support by a candidate, provided that there is no discussion, cooperation or consultation with the candidate prior to the expenditure relating to the details of the expenditure;
 4. the spender has also made a contribution to the candidate, or has discussed with the candidate his or her campaign plans or activities as part of the candidate's solicitation for a donation;
 5. the expenditure is made by a for-profit or non-profit organization for invitations, announcements, food and beverages and similar costs associated with an event to which the candidate has been invited by the organization to make an appearance before the organization's members, employees, shareholders and the families thereof; or
 6. the expenditure is made by an individual who spends \$100 or less for costs associated with a sign that is lettered or printed individually by hand and that reproduces or replicates a candidate's campaign-related design or graphic.
10. Funds or services received solely for the purpose of conducting activities to determine whether an individual should become a candidate are not contributions if the individual does not become a candidate. Examples of such activities include, but are not limited to, conducting a poll, telephone calls, and travel. The individual shall keep records of all such funds or services received. If the individual becomes a candidate, the funds or services received are contributions and are subject to the reporting requirements of 21-A M.R.S.A. § 1017. The amount and source of such funds or the value of services received must be disclosed in the first report filed by the candidate or the candidate's authorized campaign committee, regardless of the date when the funds or services were received, in accordance with the Commission's procedures for reporting contributions.

Funds or services used by an individual for activities indicating that he or she has decided to become a candidate for a particular office are contributions. Examples of such activities include, but are not limited to: using general public political advertising to publicize his or her intention to campaign for office; hiring staff or consultants for campaign activities; raising funds in excess of what could reasonably be expected to be used for exploratory activities; making or authorizing statements that refer to him or her as a candidate; or taking action to qualify for the ballot.

SECTION 7. EXPENDITURES

1. **Expenditures by Consultants, Employees, and Other Agents of a Political Campaign.** Each expenditure made on behalf of a candidate, political committee, or political action committee by any person, agency, firm, organization, etc., employed or retained for the purpose of organizing, directing, managing or assisting the candidate, the candidate's committee, or the political action committee must be reported separately by the candidate or committee as if made or incurred by the candidate or committee directly. The report must include the name of the third party vendor or payee to whom the expenditure was made, the date of the expenditure, and the purpose and amount of the expenditure. It is not sufficient to report only the total retainer or fee paid to the person,

agency, firm, organization, etc., if that retainer or fee was used to pay third party vendors or payees for campaign-related goods and services.

2. **Expenditures by Political Action Committees.** In addition to the requirements set forth in 21-A M.R.S.A. §1060(4), the reports must contain the purpose of each expenditure and the name of each payee and creditor.

3. **Timing of Reporting Expenditures**

- A. Placing an order with a vendor for a good or service; signing a contract for a good or service; the delivery of a good or the performance of a service by a vendor; or a promise or an agreement (including an implied one) that a payment will be made constitutes an expenditure, regardless whether any payment has been made for the good or service.
- B. Expenditures must be reported at the earliest of the following events:
- (1) The placement of an order for a good or service;
 - (2) The signing of a contract for a good or service;
 - (3) The delivery of a good or the performance of a service by a vendor;
 - (4) A promise or an agreement (including an implied one) that a payment will be made; or
 - (5) The making of a payment for a good or service.
- C. At the time the duty to report an expenditure arises, the person submitting the report is required to determine the value of goods and services to be rendered (preferably through a written statement from the vendor) and to report that value as the amount of the expenditure. If the expenditure involves more than one candidate election, the report must include an allocation of the value to each of those candidate elections.

4. **Advance Purchases of Goods and Services for the General Election [Repealed]**

5. All campaign-related payments made with the personal funds or credit card of the candidate or an individual authorized by the candidate must be reported as expenditures in the reporting period during which the payment to the vendor or payee is made. The candidate must report the name of the vendor or payee to whom the payment was made, the date of the expenditure, and the purpose and amount of the expenditure. When the expenditure is reported, the candidate should indicate the person who made the payment by entering "Paid by [name of candidate or supporter]" in the remarks section of the expenditure schedule. It is not sufficient to report only the name of the candidate or authorized individual to whom reimbursement was made and the total amount of the reimbursement. If a Maine Clean Election Act candidate or an individual authorized by the candidate uses personal funds to make an expenditure on behalf of the candidate, the candidate or individual must be reimbursed within the same reporting period.

6. Multiple expenditures for bank fees and for vehicle travel may be reported in an aggregate amount, provided that the candidate or committee identifies the time period of the expenditures in the remarks section of the report.

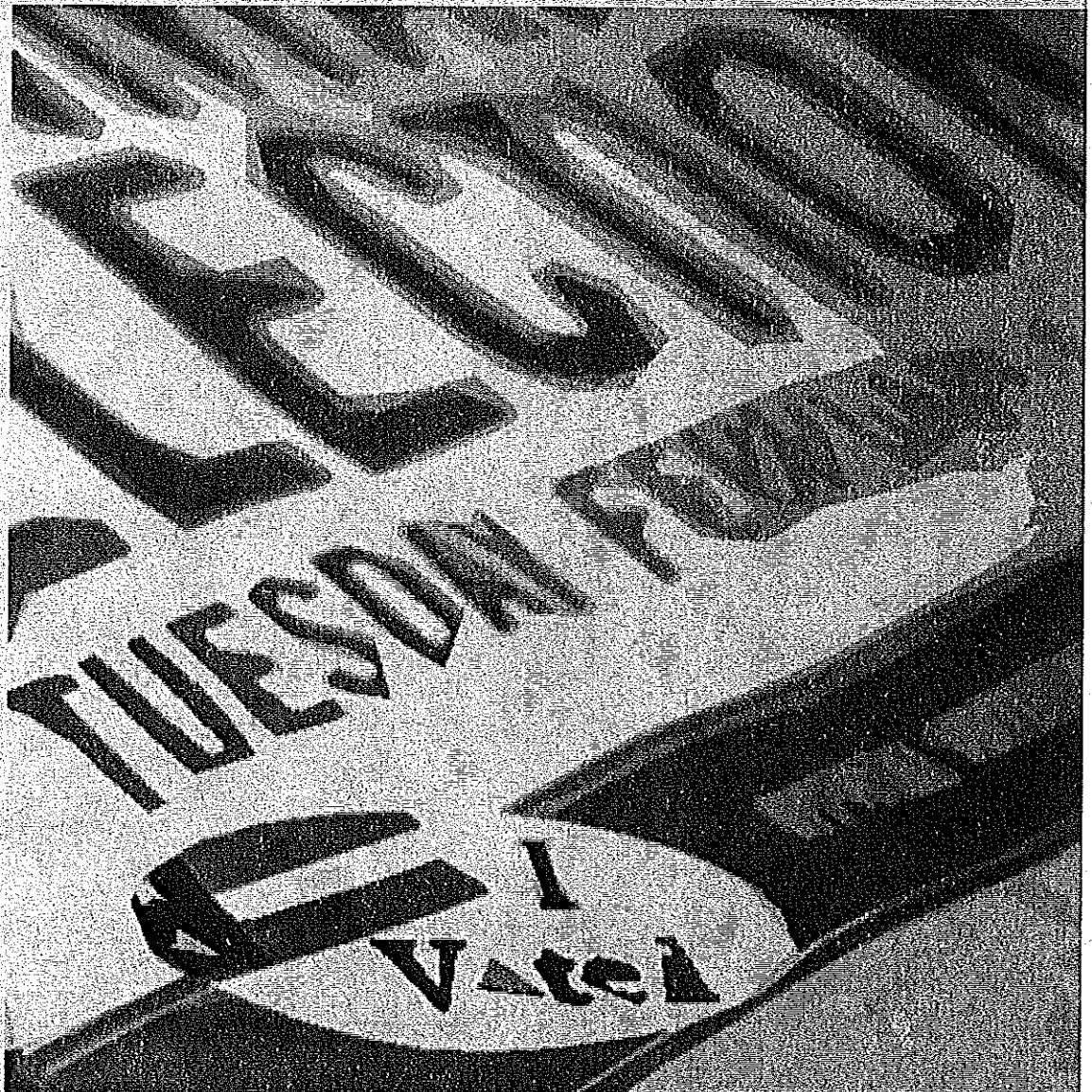
COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE 04333

Guidance on Reporting
Unpaid Debts
Version 1.1

2012 Candidate's Guide

Running for Office in Maine

Maine Clean Election Act Candidates



Publication Date: 01/10/2012



DESCRIPTION OF A CAMPAIGN FINANCE REPORT

Cover Page	Contact Information	Contact information for you and your treasurer is reported here and is automatically completed when filing electronically.
Schedule A	Cash Contributions	Seed money contributions you received during the qualifying period are entered on this schedule. Once you are certified as an MCEA candidate, your MCEA payments are entered on this schedule by the Commission staff.
Schedule A-1	In-Kind Contributions	In-kind contributions (goods and services) you received during the qualifying period are reported in your Seed Money Report. Seed money restrictions apply to in-kind seed money contributions. Remember, once you are certified as an MCEA candidate, you <u>cannot</u> receive any in-kind contributions.
Schedule B	Expenditures	Expenditures you made during the report period are entered on this schedule, including date, amount, payee, and type of expenditure. Some expenditure types require a more detailed remark (see expenditure types on page 48).
Schedule C	Loans and Loan Repayments	This schedule is not used by MCEA candidates
Schedule D	Unpaid Debts and Obligations	All debts or obligations that are unpaid <u>at the close of the report period</u> are entered here.
Schedule E	Campaign Equipment/ Inventory	Campaign equipment (computers, cameras, printers, etc.) purchased with MCEA funds is reported on Schedule B <u>and E</u> . When equipment is sold, sale proceeds are reported on this schedule. Equipment purchased with seed money is reported on Schedule B only.
Schedule F	Summary Section	This schedule summarizes your financial activity for the report period by showing totals of the different types of receipts and your total expenditures. For electronic filers, these totals are calculated automatically. The cash balance on this schedule should match the cash balance in your campaign bank account.

EXAMPLE OF REPORT MENU IN THE ELECTRONIC FILING SYSTEM

In the electronic filing system, the schedules are listed on the "Report Menu" screen. To enter data into a report, check the appropriate schedule, click "Add New Transactions", and follow the instructions on each screen. Remember that the "Cover Page," and "Schedule F" are automatically completed—no data entry needed.

Status: Filed

<input type="checkbox"/> Select All	No Activity on Schedule	Amended
<input type="checkbox"/> Cover Page		
<input type="checkbox"/> Interest Earned	✓	
<input type="checkbox"/> Schedule A Cash Contributions		
<input type="checkbox"/> Schedule A-1 In-Kind Contributions	✓	
<input type="checkbox"/> Schedule B Expenditures		✓
<input type="checkbox"/> Schedule D Unpaid Debts and Obligations	✓	✓
<input type="checkbox"/> Schedule E Campaign Equipment/Property Inventory	✓	
<input type="checkbox"/> Schedule F Summary Section		

Add New Transactions

Amend Old Transactions

View/Print Report

File Report

File No Activity Report

CSV Upload



your campaign. (Please see pages 21-22) Also, the payment must be solely for the purpose of promoting your nomination or election. If you purchase goods or services from a PAC or party committee, you must include in the Remarks section of Schedule B a detailed explanation of the goods or services purchased.

REPORTING THE PURCHASE AND SALE OF CAMPAIGN PROPERTY (SCHEDULES B AND E)

When the campaign uses MCEA funds to purchase property or equipment costing \$50 or more that could be converted to the candidate's personal use after the campaign (e.g., computers, fax machines, printers, cell phones, tools), report the purchase of such property or equipment on Schedule B (Expenditures) and Schedule E (Campaign Equipment/Property).

After the election, MCEA candidates must sell this property at fair market value and return the proceeds by the deadline for the campaign finance report due 42 days after the election. For candidates defeated in the primary, proceeds must be returned by July 24, 2012 and for candidates who participated in the general election proceeds must be returned by December 18, 2012. Please report the proceeds from this sale on Schedule E. The requirement to sell the property or equipment for fair market value is discussed on page 29.

If your campaign purchases equipment with MCEA funds that could be converted to your personal use after the election (e.g., computers or cell phones) the campaign must sell it for fair market value at the end of the campaign.

REPORTING WITHDRAWALS OF CASH

The Commission recommends making expenditures by writing checks or using a debit card for the campaign's bank account so that as many expenditures as possible are made through the campaign account. This will help the campaign keep track of the dates, amounts, and payees of all expenditures which must be included on campaign finance reports.

If the campaign chooses to withdraw cash to use for petty expenses by campaign workers, do not report a payment to "cash." Instead, for each cash expenditure, keep a receipt or record which includes the date, amount, payee, and purpose of each expenditure, and include this information on your campaign finance reports.

REPORTING UNPAID DEBTS AND OBLIGATIONS (SCHEDULE D)

If you have incurred debts and obligations and they remain unpaid at the end of the reporting period, enter them on Schedule D. If the unpaid debt and obligation (all or in part) is still unpaid at the end of subsequent reporting period(s), you will have to re-enter the amount that is unpaid on Schedule D.

When first reporting the unpaid debt and obligation, report the date on which the debt or obligation was incurred. When the debt or obligation remains unpaid at the end of the subsequent report period, you will have to re-enter it using the first day of the report period. For example: You have a \$250 unpaid bill at the end of the 42-Day Post-Primary Report period and it remains unpaid through the subsequent report period for the 42-Day Pre-General Report. To enter the \$250 unpaid bill into the 42-Day Pre-General Report you



must use a date falling within the report period. The Commission recommends that you use the first day of the 42-Day Pre-General report period. Please note in the description field the actual date incurred, which is the date you first reported in the 42-Day Post-Primary Report. This will allow any unpaid debt remaining unpaid through two or more report periods to be correctly reported in the subsequent reports. Please contact the Commission for questions or assistance.

Also report the name and address of the creditor, the amount and purpose of the transaction. When any payment (all or part) is made on a debt or obligation, that payment amount is reported as an expenditure on Schedule B. Your treasurer will continue to disclose the unpaid balance of that debt or obligation on Schedule D until full payment is made to the vendor.

FILING REPORTS ELECTRONICALLY

Electronic Filing Requirement. Candidates in the 2012 elections who have (or expect to have) receipts of more than \$1,500 are required to file all campaign finance reports electronically on the Commission's website. Most MCEA candidates running for the House and Senate receive more than \$1,500 in MCEA funds and therefore are required to file electronically unless they have submitted a waiver request. Only MCEA candidates in contested primary races and uncontested general races receive less than \$1,500 in payments.

How to File Electronic Reports. After you register as a candidate, the Commission staff will mail you a username and password for accessing the online electronic filing system, the e-filing system. The campaign may use the e-filing System in two ways. Candidates and treasurers may:

- Directly enter each contribution and each expenditure into the e-filing system on the Commission's website; or
- If they keep records of their contributions and expenditures in Microsoft Excel or another software program (e.g., Access or QuickBooks) which provides an output of data in a CSV (comma-separated value) format, they may use templates and upload the information electronically without having to enter the information transaction by transaction into the system. Please call the Commission staff if you would like more information about this option.

E-filing instructions may be found on the Commission's website or you may request a copy by contacting the Commission.

FILING REPORTS ON PAPER FORMS

Electronic Filing Waiver. Candidates who do not have access to the technology or the technological ability to file reports electronically may file their reports using the paper forms after requesting a waiver of the electronic filing requirement. The Commission grants all reasonable requests for a waiver. If you would like a waiver of the requirement, you need to complete the Electronic Filing Waiver request form and submit it to the Commission. The deadline for filing a waiver request is April 16, 2012, but the Commission will honor requests filed later.

File the Original Signed Report by the Deadline. For those candidates receiving permission to file reports on paper, the Ethics Commission must receive the original campaign finance report signed by either